

Assemblyman  
**PAUL KORETZ**

Forty-second Assembly District

*proudly representing the communities of West Hollywood, Beverly Hills, Los Angeles, Century City, Westwood, Bel Air, Brentwood, West Los Angeles, Hollywood, Hancock Park, Universal City, Studio City, and Sherman Oaks*



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## LEAD BY KORETZ, ASSEMBLYMEMBERS JOIN GARAMENDI'S CALL FOR EAGLEBURGER'S RESIGNATION FROM HOLOCAUST INSURANCE CLAIMS COMMISSION

(Los Angeles) Assemblyman Paul Koretz (D-West Hollywood) was joined on a letter by members of the Legislature and Insurance Commissioner John Garamendi calling for former Secretary of State Lawrence Eagleburger to resign from his post as Chairman of the International Commission on Holocaust Era Insurance Claims (ICHEIC).

"Under Eagleburger, the Commission has been unresponsive to claimants, failed to provide appropriate oversight of participating insurers, and often has been more of an obstruction than a facilitator of justice. The fact that the Commission has spent 60% more on its own bureaucracy and travel expenses than it has achieved in paid claims to Holocaust survivors is yet another outrage in this sorry tale of injustice that has continued for nearly sixty years," said Assemblyman Koretz.

The Koretz letter follows a similar call last Thursday from California Insurance Commissioner John Garamendi, who sits on the Commission and who also cited a lack of progress by the ICHEIC. On Saturday, Governor Gray Davis said, "Drastic improvements must be made in the working process at ICHEIC." Also last week, two elderly Holocaust survivors, Mr. Manny Steinberg and Mr. Jack Brauns, filed suit in Los Angeles Superior Court against the ICHEIC alleging the Commission inappropriately assisted Assicurazioni Generali, a large European insurance company and principal financier of the Commission's work, by delaying or denying payment of over \$1 billion owed to Holocaust survivors.

Signed by Insurance Commissioner Garamendi and 25 state legislators, the Koretz letter states, "The Commission's oversight of member companies is virtually nonexistent with ICHEIC rules and evaluation standards routinely ignored by participating insurance companies." The letter to Eagleburger concludes, "After more than five years, the ICHEIC has failed in the execution of its mission; and you, as its Chairman, must be held accountable for that failure."

Commenting further, Koretz said, "The entire process regarding Holocaust era insurance claims is an utter disgrace and is nothing short of infuriating. These policies were bought and paid for and the resulting claims should have been paid 60 years ago. The ICHEIC is flawed at its core with its

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operating funds being paid by the companies subject to its rulings. Now, a growing number of lawsuits underscore the fact that survivors have lost faith in the Commission's ability to resolve claims in a more timely manner than U.S. courts."

In 1999, California's Holocaust Victims Insurance Relief Act was signed into law requiring insurance companies to provide data to the California Department of Insurance regarding policies purchased by many families prior to and during the Second World War as financial protection for family members who survived the war. In June 2003, the United States Supreme Court in American Insurance Association, et al. v. John Garamendi, Insurance Commissioner, State of California, held that California's Holocaust Victims Relief Act was unconstitutional. This year, the ICHEIC published a partial list of 400,000 policyholder names that many feel is incomplete. In its August 2<sup>nd</sup> edition, *The Economist* magazine called the Commission's performance "too late, too slow, too expensive."

"At this point, anything less than full public disclosure of insurance company records from 1920 to 1945 is, at best, an abrogation of insurance industry executives' fiduciary duties to policy holders, and, at worst, criminal concealment of their companies' past crimes," said Koretz.

Mr. Koretz, whose father fled Nazi Germany in 1939, is the author of AJR 44, a resolution currently pending in the State Assembly. The resolution urges state officials to pursue any feasible alternatives under state law to increase the likelihood that Holocaust era insurance claims are paid and asks the U.S. Congress to take action immediately while beneficiaries are still living.

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# California Legislature

September 29, 2003

Mr. Lawrence Eagleburger, Chairman  
International Commission on Holocaust Era Insurance Claims  
1300 L Street, N.W.  
Suite 1150  
Washington, DC 20005

Dear Chairman Eagleburger:

We, the undersigned California officials, ask for your resignation as Chairman of the International Commission on Holocaust Era Insurance Claims (ICHEIC). While we recognize and commend you for distinguished service to our nation as a career foreign service officer and as U.S. Secretary of State, we are deeply concerned by the poor performance of the Commission under your direction since its formation in 1998.

In your September 16<sup>th</sup> testimony before the U.S. House of Representatives Government Reform Committee, you admitted that over five years the ICHEIC has spent \$56 million on operations that have resulted in only \$35 million in paid claims. You also indicated that insurance companies have paid only 5% of 54,000 claims filed with the Commission. Clearly, spending 60% more on salaries, administration, and travel than your organization has been able to achieve in paid claims is an egregiously poor record.

Countless Holocaust survivors in California have reported that ICHEIC's customer service is unresponsive, providing more obstruction than helpful assistance. Updates on the status of claims are to be provided every 90 days, but even that simple action seldom occurs. The Commission has failed to confirm that approved claims are paid properly and in the amounts required by ICHEIC procedures. The Commission's oversight of member companies is virtually nonexistent with ICHEIC rules and evaluation standards routinely ignored by participating insurance companies.

The State of California, through the enactment of the Holocaust Victims Insurance Relief Act and through actions by Insurance Commissioner John Garamendi and Attorney General Bill Lockyer, has done everything in our power to see the claims of Holocaust survivors resolved in a speedy fashion. The *raison d'être* of the ICHEIC is to provide a means to resolve claims in a more timely manner than can be achieved through litigation. After more than five years, the ICHEIC has failed in the execution of its mission; and you, as its Chairman, must be held accountable for that failure. Therefore, we call for your immediate resignation from the post of Chairman of the International Commission on Holocaust Era Insurance Claims.

## Signatories

Paul Koretz  
Member, California State Assembly

Hannah-Beth Jackson  
Member, California State Assembly

Darrell Steinberg  
Member, California State Assembly

Alan Lowenthal  
Member, California State Assembly

Mark Leno  
Member, California State Assembly

Lois Wolk  
Member, California State Assembly

John Laird  
Member, California State Assembly

John Longville  
Member, California State Assembly

Gloria Romero  
Member, California State Senate

Judy Chu  
Member, California State Assembly

Deborah Ortiz  
Member, California State Senate

Sheila Kuehl  
Member, California State Senate

Joe Nation  
Member, California State Assembly

John Garamendi  
California Insurance Commissioner

Lloyd Levine  
Member, California State Assembly

Dario Frommer  
Member, California State Assembly

Lou Correa  
Member, California State Assembly

Fabian Nuñez  
Member, California State Assembly

Jackie Goldberg  
Member, California State Assembly

Rebecca Cohn  
Member, California State Assembly

Juan Vargas  
Member, California State Assembly

Sally Lieber  
Member, California State Assembly

Ellen Corbett  
Member, California State Assembly

Liz Figueroa  
Member, California State Senate

Jackie Speier  
Member, California State Senate

Manny Diaz  
Member, California State Assembly